The Foodservice Market in the Central United States

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Prepared by the
Team Canada Market Research Centre
and the
Canadian Trade Commissioner Service

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100-03258/

THE FOODSERVICE MARKET IN THE CENTRAL UNITED STATES

Team Canada Inc • Équipe Canada inc

EXECUTIVE SUMMARY

This report is intended to provide Canadian exporters with a concise overview of the foodservice industry in Central United States, which comprises the states of Indiana, Kentucky, Michigan, Ohio and West Virginia.

The foodservice industry in the U.S. is huge by Canadian standards. The number of foodservice operations nationwide is projected to reach 815,000 in 1999 with annual sales of US$372 billion, up 4.6% per cent from 1998. Commercial establishments account for 91% of this market. Distributors and Brokers working in the Foodservice industry focus on the Restaurant, Hotel and Institutional distribution channel. Institutional for example would be Universities, Government agencies, and Prisons. A rather new addition to this, however, is the Home Meal Replacement portion in the Grocery Industry.

Based on the fact that aggregate Canadian Food and Beverage exports to the region is CDN$1.02 billion, it is estimated that CDN$1.0 million of that is in Foodservice. The estimated dollar value for foodservice in the marketing area of the Central United States is estimated to be US$42 billion or roughly 12% of the estimated US$366 billion in foodservice nationally. The percentage of consumer dollars spent on foodservice products in the area is believed to be 47% of the total food budget. The average per-capita personal income in the region, is US$22,687 (below the U.S. average). It is the highest in the state of Michigan at US$25,560.

It is estimated that in 1999 the foodservice industry will total US$372 billion in retail sales. Sales in 1998 exceeded projections by almost US$1 billion. For the last eight consecutive years, sales have grown in the foodservice industry with a 10% growth rate over the last two years. Consumers are expected to spend an average of US$970 million per day on meals, takeout meals, beverages and snacks prepared away from home in 1999. A handful of large full-service and thousand of smaller regional specialized distributors service the industry.

This market represents an excellent export opportunity for many reasons: its sheer size, strong growth and demand for value-added products; its lower marketing costs when compared with most retail channels; its exemptions from federal labelling regulations for

most products; and its crossover with the burgeoning retail for home meal replacement items, which in many instances, are also supplied by commissaries and foodservice distributors. However, the foodservice market is becoming increasingly competitive with more operations than ever before and with the consolidations, mergers and acquisitions of large distributors.

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THE FOODSERVICE MARKET IN THE CENTRAL UNITED STATES

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MARKET OVERVIEW

Population Characteristics and Trends

Roughly 32.7 million people live in the Central United States and this population is projected to reach 33.4 million by the year 2005. Almost 34% reside in Ohio, 30% live in Michigan, 18% in Indiana, 12% in Kentucky, and the remaining 6% in West Virginia. Major urban centres in the region include Cincinnati (population of 1.6 million in the metropolitan statistical area), Columbus (1.5 million), Cleveland (2.3 million), Detroit (4.3 million), Indianapolis (1.5 million), Pittsburgh (2.4 million), Grand Rapids (1.0 million) and Louisville (996,000).

The foodservice industry in the U.S. is huge by Canadian standards. The country's population totals 268 million people and the number of foodservice operations nationwide is projected to reach 815,000 in 1999 with annual sales of US$372 billion, up 4.6% per cent from 1998. Commercial establishments account for 91% of this market.

Food Spending / Eating Habits

The average per-capita personal income in the region, at US$22,687 (below the U.S. average); is the highest in the state of Michigan at US$25,560. Consumers spend 44% of their total food dollar in restaurants and other food service outlets.

American consumers spend almost 45% of their food dollar at restaurants and other foodservice establishments (significantly more than Canadians at 35%) and their demands for convenience, leisure and value are growing.

Estimated dollar value for Foodservice in the marketing are of Michigan, Ohio, Indiana, and Kentucky is estimated to be US$42 billion or roughly 12% of the estimated US$366 billion in Foodservice nationally. The percentage of a consumers food dollar spent on Foodservice products in the region is believed to be 47%.

Food Trends

No matter how exciting the new foods may be, if the customer is not ready to try them

they will not sell. According to the National Restaurant Association's ' What's hot and What's not survey, ethnic cuisines, foreign flavors, and imported ingredients are the new trends. Americans interest in international cuisine is not a surprise, since the consumer has been exploring this trend since the early 1980's. However, within the Central United States, consumers taste are basic and they search for good value.

Demographically, the United States is more diverse today, and minority populations are making a bigger impact on the tastes of the nations. Appendix A highlights the demographic breakdown based on total population within the region.

Food Distribution

Overall, the U.S. foodservice industry reported estimated 1998 total sales of US$351.9 billion, with 1999 sales projected at US$372 billion, according to a report by the International Foodservice Manufacture's Association (IFMA). In many ways it is an easier market to sell than retail. There are no slotting fees to contend with and the largest advantage over retail selling is that the foodservice industry generally is more concerned with consistent quality and stable pricing. Foodservice is not one homogeneous market. The National Restaurant Association breaks out at least 27 types of foodservice operations under four major headings: eating places, food contractors, institutional and military. According to IFMA, quick-service restaurants or QSR as they are known - represent the biggest single segment of the foodservice market, with 1998 sales estimated at US$110.1 billon and projected at US$116.2 billion in 1999. Closing in quickly - and projected to see a higher growth rate than QRS in 1999 - are full-service restaurants, wtih sales projected to it US$104.3 billion in 1999, up from an estimated US$98.3 billon in 1998. Supermarket foodservice sales, while still a relatively small portion of the market with total sales in 1999 projected to hit US$17.73 billion, are pegged as one of the fasted growing segments of the market, with a growth rate projected at almost 10 per cent. Among the slowest growing segments of the market, IFMA cites cafeteria and buffet sales and bar and tavern sales.

Profile of the Foodservice Industry

Most sectors of the market will continue to benefit from general consumption trends, such as consumer desire for convenient goods and services, continued growth in the overall economy and rising personal disposable income levels, and several other factors will impact certain sectors of the market.

Hotel

Lodging Restaurants

In Central United States there are approximately 4661 hotels, of which 2100 are estimated to have eating facilities. Hotel restaurants accounted for 91.5% of total value sales of hotel catering in 1997. Revenues in the hotel catering sector increased by 17% to reach US$16.5 billion. One of the key factors affecting the level of sales in the hotel catering sector is tourism, both domestic and incoming. In addition, higher occupancy rates, renewed innovation in hotel foodservice and a healthy economy have played a large part in the hotel catering value growth.

Sales at hotels and other lodging places are projected to total US$18.7 billion in 1999 and increase of 1.8 percent. The strongest growth will be seen in hotel restaurants, where food and drink sales are expected to grow 2.1 percent in real terms. This segment's projected sales volume of US$17.6 billion would represent 94 percent of the lodging place market. Food and drink sales at motel and motor-hotel restaurants are projected to decline, largely because of the growing number of lower priced hotels that offer free breakfast.

Hoteliers have traditionally regarded room service as a high cost, negative profit service offered to guests. However, by offering lower cost room service menus, focussing on lighter dishes, hotels have increased volume turnover, and thereby reduced cost per cover through economies of scale.

Travel Industry

Major airlines will increasingly out source food catering responsibilities to fast food operators, as American Airlines has recently done with PepsiCo's Pizza Hut Chain.

Travel catering is forecast to remain the fastest growing sector of the market, with growth of 65% between 1996 and the year 2000. This trend reflects the increased numbers of people travelling for both business and pleasure as the economy continues to experience growth. Strategic alliances between consumer caterers and commercial passenger carriers, such as that between Starbucks and United Airlines, have driven growth in airline catering, from US$1.0 billion to US$1.3 billion.

Food and drink sales in the transportation market are expected to reach US$3.3 billion in 1999 a 1.9 percent increase over 1998. Managed service providers on airlines, which make up two thirds of the transportation market, are expected to register sales growth of 1.7 percent in 1999. Meanwhile, self-operated food and drink should continue to decline in 1999. Although airline-passenger traffic continues to grow, gains

in expenditures on passenger meals are not quite as high.

As cruise passenger counts continue to climb, food and drink sales on cruise lines should continue to grow in 1999.

In the Central U.S. region, airlines purchase through their headquarters (like Northwest Airlines) and the meals are prepared in the local kitchen at the airport facility and are supplied by local distributors on a contract basis. The airports facilities for the general public would be normally supplied by local food service distributors - under agreement with the Airport Authority.

Restaurants

There are an estimated 33,506 restaurants serving consumers with the Central U.S. In recent years, growth in eating-place sales has been driven by the states in the South and the West, with the strongest gains registered in the Mountain region. The Mountain region should still reign supreme in terms of eating-place sales growth in 1999, as its employment, income and population continue to grow much faster than the national average. The fastest-growing areas should continue to be the South and the West, with the top 16 states in terms of eating-place sales growth located in one of those two regions.

Households with children are more likely than average to eat out at least weekly, as are those with working with women. Higher incomes translate into more dining experiences: 68% of those making 45K or more go out at least once a week. Among age groups, households headed by 40 to 49 year old's are the most likely to eat out more than once a week. Seniors, on the other hand are more likely to dine at home. About half of those over 65 say they eat out less than once a month. White and Hispanics report eating out with roughly equal frequency: 62% dine out at least once a week. By comparison, 57% of blacks reported eating out and 81% Asians. Cleanliness, food quality and service are top priorities to diners at table-service restaurants. Convenience and value gain importance at quick-service restaurants. Diners try a new table-service restaurant about 20% of the time. In takeout, the most important criteria are freshness, value and menu items. However, overall fine dining remains a luxury.

The average household spends US$35.50 a week for food away from home. Regionally, consumers in the Northeast spend the most (an average of 38.99), followed by the West (35.61) the South (35.46) and the North Central part of the country (32.44).

Although the region of the country has some influence on the level of spending on food away from home, the most significant determinants of dining-out spending are household income and age. Restaurant spending patterns are also revealed by

comparing the relative size of different income groups. Although households with incomes in excess of US$70,000 represent only 13% of all households, they accounted for more than one-quarter of all spending on food away from home. In contrast, households with incomes of less than US$30,000 made up 52 percent of all households, but accounted for 30 percent of spending at restaurants.

The Commercial Restaurant Services Group, including full service restaurants, quick-service restaurants and food contractors, accounts for the largest portion of total industry food and drink purchases - more than 77 percent. Purchases in this segment were expected to reach US$92.5 billion in 1998.

Similarly, the region's eating-place-sales growth is expected to come in at a rate below the national average in 1999. Eating-place sales in the region are projected to increase 4.2 percent in 1999 - a half-percentage point below the national average.

Indiana is expected to lead the region's state with eating-places sales with growth of 4.6 percent followed quickly by Wisconsin's projected increase of 4.5 percent.

Ohio and Illinois, which represents more than half the region's eating-place-sales volume, are expected to post sales growth of 4. 4. percent and 3.7 percent.

Full Service Outlook

After posting strong growth in 1998, sales at full service restaurants should exceed US$117billion in 1999 a gain of nearly US$5.5 billion, or 4.9 percent, over sales in 1998. Real growth in 1999 is expected to be roughly 2.1 percent, similar to gains expected in 1995 and 1996 but a full percentage point below the 3.1 percent real gain in 1997.

As in the quick service sector, this expected slowdown in sales growth at full service restaurants should come as a result of a less robust economy. Although the full service sector should continue to cash in on the relative stability of the economy and the continuing financial comfort of consumers, growth is not likely to reach the heights it did in 1998.

Competition remained intense in 1998, and is likely to continue in 1999. Today's consumer is aware that restaurant choices are abound. When restaurateurs were asked to use a thermometer scale to evaluate the intensity of the competition in 1997, 1998 and 1999, they reported no letup in the past and expect none in the future. Competition is especially high at more expensive restaurants with higher cheques averages.

Quick Service

Sales at quick service restaurants are expected to top $110.4 billion in 1999 a 4.6 percent increase above the 1998 level, or a 1.8 percent increase in real terms. This is a slowdown firm the strong 5.1 percent nominal growth, 2.6 percent in real terms, registered in 1998 the strongest since 1995.

Although competition is heating up throughout the restaurant industry, it is sizzling in the quick service sector, with stiffer competition from grocery stores and convenience stores.

Sales through fast food restaurants will continue to outpace the catering industry as a whole because fast food outlets provide added -value to the consumer. Intense price competition will continue to drive down the costs on an average fast food meal, enabling the consumer to save money by eating outside the home.

Recreational

Food and drink sales in the recreational market are expected to reach $10.9 billion in 1999 a 1.8 percent increase on an inflation adjusted basis. Sales at recreation and sports centres are projected to total US$7.7 billion, while food and drink sales at clubs, sporting and recreational camps should reach $3.2 billion in 1999. The continuing growth is multiplex cinemas in high-traffic shopping malls, was well as growing attendance at sports centres and theme parks, should drive the growth in this segment.

Bars and taverns are expected to post nominal sales growth of 3.6 percent in 1999 to reach a sales level of nearly US$11.5 billion. Sports bars are the fastest growing concept in this segment.

Food sales through bars and taverns will continue to be adversely affected by on-going consumer health trends.

Theme Dining

The more than US$216 billion theme restaurant business emerges as the restaurant industry's fastest expanding sector. The development is primarily attributed to a rise in patrons who want added value foodservice and family dining. Theme restaurant are receiving different reactions from the market, with leading firms such as Minneapolis, MN based Rainforest Café who are moving from targeting tourists and local restaurant patrons and moving towards retaining the novelty of foodservice concepts to maintain an edge over their competitors.

Institutional

Educational Institutions

Driven by strong growth in the colleges and university segments, food and drink sales at educational institutions are expected to reach US$17.5 billion in 1999, which represents an increase of 1.7 percent.

In the primary and secondary school segments self operated food service should still represent the majority of the share, although real growth in this sector is slowing significantly self-operated food and drink food and drink sales are projected to be flat in 1999. In contrast, managed services providers at primary and secondary schools are expected to register sales of 4.0 percent.

Within the state of Ohio the number of school students from kindergarten through grade 12, 1, 899,344 students are eligible for a lunch program and 734, 744 for a breakfast program provided by the division of Child Nutrition within Ohio Government. In 1997-98, over 904, 000 lunches were served daily and 166, 500 breakfasts. The average price of a full breakfast is US$1.25 and lunch is US$1.85. Approximately 50 percent of the students participate daily with a higher percentage in the elementary and junior high school. Programs are mandated only if one-third of the students in the building qualify for a free meal. Programs are based on an income basis, however the school meal program is available to all students. Twenty percent of the food used is federal commodities. The major suppliers of contracted food varies on the product. The trends of food for the kids are - pizza, chicken nuggets, french fries, tacos, hamburgers. Vending machines are in all of the schools and are used as a substitute for snacks.

The state of Kentucky offers a similar program to its 600,000 public school students. They serve 425,000 lunches per day to students, however eligibility for free or reduced meals is based on family size and income criteria established for the School Breakfast and National School Lunch program by the U.S. department of Agriculture. The average price of a paid lunch is US$1.00 and the average paid price of breakfast is US$.50. Pizza is still the number one seller. It has been for years and they expect that to continue. Chicken products sell well as do ethnic products, especially Hispanic foods. About 12.5% of the food used is commodities, the remainder is purchased food. Institutional Distributors, Sysco and Brown Brothers are full line distributors who do business with the school.

Universities and Colleges

Food service, a major contributor to quality of campus life is increasingly part of the

appeal, and colleges and universities are playing it up for all it is worth. Students enjoy an assortment of commercial restaurant quality food concepts served in upbeat, diverse, restaurant settings. Colleges have caught on to the spending power of young adults. There are 1186 colleges and universities in Central United States and approximately 550 provide a food service operation.

The result is happier better fed students but also robust sales and segment growth. According to Washington, D.C.- based National Restaurant Association (NRA) 1999 forecast, strong growth in the College and University segment will drive food and drink sales at educational institutions to reach approximately US$17.5 billion this year, an increase of 1.7 percent over last year. Colleges and universities account for 59 percent.

Correctional Services

In corrections they have a cook serve food production but are moving towards an advance chill system by the end of 1999. They tender all of their supplies and they are delivered by food service distributors. They have both regional and national distributors competing on our business. Annually amount of food and beverage purchased is US$14 million. Forty-five percent of the menu is out-sourced prepared food.

Raw daily food costs ranged from 1.05 to 3.80 per inmate with an average cost of 2.55. The most commonly used food production method throughout the U.S. is cook/serve. A number of states indicated using a combination of cook/serve and cook/chill. Less than ten percent us cook/chill and less than five percent use pre-plated meals or a combination of cook/serve and pre-plated meals as their most common method of food production.

Statewide contracts and centralized purchases are the most common method of food purchasing. Individual facility purchases, regional or facility contracts and local vendors are used significantly less often with regional and facility contracts being the least common method. Food purchases based solely on bid are significantly more often than spot purchases opportunity bids and prime vendor just-in-time deliveries.

An overwhelming majority of states are serving all hot meals to their inmates. When a cold meal is served, it is most often lunch. Most states do not offer snacks unless they are ordered by a physician. Four, five and six week cycle menus are with the most common frequency. Menus are reviewed regularly by dietitian in all states with a quarterly review being the most common.

Health Care

Food and drink sales in the health care sector are expected to reach 17.2 billion in 1999, which represents an increase of 1.0 percent. Although self operated foodservice operations will make up most of the market, managed service providers are expected to register this market's strongest growth in 1999.

Within the health care market, managed service providers in hospitals and nursing homes are expected to register food and drink sales growth of 3.3 percent. Self-operated foodservice sales at nursing homes are projected to increase 2.0 percent in 1999, while self operated food and drink sales in hospitals are expected to decline.

There are approximately 308 hospitals and clinics in the four states of Michigan, Ohio, Indiana, and Kentucky. It is estimated that 50% or 155 of these facilities would have some degree of a foodservice operation. It is believed that half of these would be on a contract base.

Other Foodservice Eating Segments

Home Meal Replacement (HMR)

Everyone in the food industry is talking about Home Meal Replacement, or HMR. What's going on today in HMR is driven by changing demographic trends and consumer demands. The trends in the HMR haven the potential to impact everyone in the 'food chain' of the food industry, from ingredients and packaging suppliers to consumer food and foodservice companies to distributors and naturally to the end consumer.

Food companies are thinking of ways to prepare retailers for competition in the home meal replacement (HMR) market. To successfully deliver quality meal solutions to today's busy consumer, the definition of HMR must be clarified in terms of two key supermarket foodservice categories, namely 'Food for Now' and 'Food for Slightly later.' Food for 'Now' refers to foods that can be eaten immediately. Product satisfaction in this category can be achieved through convenience and consistency. On the other hand, 'Food for Slightly Later' refers to prepared or partially prepared meal components that require additional preparation.

HMR (take-out) is still a growing trend in the market place. It should be noted that the Central United States, is not a 'trendy' type of place. So basically, basic food at a reasonable delivered price would work.

Consumers are expected to continue to spend more money for prepared food rather

than grocery food items between 1995 and 2005.

Social caterers will once again be one of the fastest growing segments in the restaurant industry in 1999, with expected sales growth of 5.0 percent. Sales for social caterers are expected to top US$3.3 billion in 1999, which translates into real growth rate of 2.2 percent. Corporations striving for more elegance to meet the heightened requirements of their clients should help drive growth in the sector. Marriage celebrations are also becoming more lavish.

The five key factors affecting growth in the consumer catering market in the last five years were as follows: an increase in consumer purchasing power due to a strong US marketplace; changing demographics; (for example the ageing baby boomer population and a growing ethnic population); healthy consumer eating trends; and more women in the workforce, with less time to prepare food at home.

Sales at ice cream, frozen-custard and yogurt stands are projected to reach nearly US$2.9 billion in 1999 a sales gain of 3.7 percent. This represents the second slowest growth in the eating-places sector; only cafeterias are likely to post a lower growth rate. In general, supermarket bulk sales have curtailed the growth of the frozen-dessert stores.

Sales at cafeterias are expected to reach nearly US$4.2 billion, which represents nominal growth of 3.0 percent. Although cafeterias' expanding role as carryout outlets acts as a catalyst for gains in this segment, this growth is tempered by consolidation. Cafeterias are facing fierce competition from food-bar concepts.

Vending and non-store retailers are projected to post food and drink sales of US$7.7 billion in 1999 on increase of 0.9 percent. Growth will be driven by the continuing proliferation of hot-food machines as well as frozen food machines used in conjunction with microwaves.

Retail-Host Restaurants

Sales are expected to post a strong growth rate of 4.4 percent in 1999, pushing sales to US$16.6 billion. Growth in this segment is expected to more than double the increase projected for the overall commercial segment, in which sales are expected to gain 2.0 percent. Food stores (excluding grocery stores but including most coffee bars) should drive growth in the retail host sector. General merchandise stores are also expected to post solid growth in 1999, thanks to the warehouse clubs. With the growing popularity of restaurants/cafes built into bookstores, food and drink in the miscellaneous stores segments will register sales gains in 1999.

Key Sub-Markets

Food Contractors

Food purchased by food contractors is the second largest element of the commercial segment in terms of food and drink purchases were expected to reach US$8.0 billion in 1998. On a compound annual growth basis, purchases by food contractors have expanded at a faster rate than the restaurant industry overall. Much of the growth is the result of greater contractor penetration of institutional markets providing their own restaurant services.

Manufacturing and industrial plants represent the largest category within the food-contractor segment. Purchases by food contractors for manufacturing and industrial plants are forecast to top US$2.3 billion in 1998, accounting for 29.0 percent of total contractor purchases. Colleges and universities are expected to account for more than 19 percent of contractor purchases in 1998, while airlines represent 12.8 percent.

Food Distributors and Brokers

Major players in the market are Alliant, Sysco, Alliant, Abbott Foods Inc., Gordon Foodservice, Institution Food House Inc., and Van Eerden Distribution Co. These are full line distributors. Estimated another 300 smaller general line distributors in the five state area. These numbers do not include speciality distributors for produce, meat, wild game, seafood, deli/bakery, and beverages.

Alliant Foodservice, Inc.

Alliant recorded a 17.3 percent increase to US$900 million, thanks to rapid growth in chain restaurant, lodging and healthcare volume, as well as moderate growth in independent sales. Two acquisitions also contributed to the company's gain: Atlantic Food Services, Manassas, VA., and K B Foods, Inc., Omaha, Nebraska. Sales in 1998 reached US$6.1billion within the United States.

Sysco Corporation

Sysco Corporation is the nation's largest distributor and in 1998 reached sales of US$16.2 billion dollars. The company covers continental U.S. and parts of Canada with over 300,000 accounts. The gain in 1998 was attributed to geographic expansion, account penetration and a greater share of market growth. Sysco anticipates US$20 billion by the year 2001.

Abbott Foods, Inc.

A national brand focussed independent, Abbott Foods, Inc. achieved greater expansion into central Michigan in 1998 and this year is hoping to penetrate northeaster Ohio and surround states. Strong in produce, Abbott is continuing implementation of a comprehensive Fresh-Source delivery. In 1997 Abbott Foods Inc. acquired Klueuner Foods in Fairfield, Ohio and they are aggressively seeking out acquisitions of other smaller distributors. Abbott Foods, Inc. located in Columbus, Ohio was ranked 26th among the top 50 foodserviece companies in 1998 with sales of US$181.2 million. With over 4,000 accounts and 8,500 items in all categories, Abbott Foods, Inc serves the territory of Michigan, Indiana, Kentucky, West Virginia and Pennsylvania.

Gordon Food Service

In 1998 Gordon Food Service ranked 5th in the Foodservice industry with overall sales of US$1.8 billion. Market penetration in 1998 was the key to their 8.6 percent increase. Volume is evenly distributed from their three main locations in Grand Rapids, Brighton Michigan and a new centre in Springfield, Ohio. Gordon is technologically advanced with a push for growth in the cash and carry business. The regional broad liner now has approximately 70 Marketplace Stores throughout the Midwest. Their street sales make up for 75% of the revenue and their overall territory is Midwest U.S. Quebec and Ontario Canada.

Institution Food House, Inc.

IFH operates out of two branches: its Hickory headquarters and a branch located in Florence, S.C. The distributor targets the southeastern U.S. and in 1998 had total sales of US$225 million. Institution Food House Inc. cover all traditional segments with 9,500 items within their product mix. This year the plans are to expand in the beverage and non-food categories.

Van Eerden Distribution Co.

With the acquisition of Dykstra Food Service,Inc., Comstock, Mich., which enhanced the company's overall growth in 1998, with sales of US$128 million. Van Eerden Distribution Co. territory covers Michigan, parts of Ohio, Indiana and Illinois servicing over 3000 accounts with emphasis on the fresh produce sector.

PRODUCT OPPORTUNITIES

One of the most exciting domestic trends that may help future growth is the expansion into nontraditional sites such as schools, convenience stores, gas stations airports and

retail outlets. Big box chains represent the most recent successful nontraditional site trend. Big box chains have begun upgrading and branding the fast foods they offer by installing scaled-down versions of McDonald's, Taco Bell, and other restaurants directly in their stores. The idea is to keep the consumers longer by given them predictable food at predictable prices.

The most popular of the 'hot' ethnic influences appears to be the cuisine of Thailand, which ranked fourth among the to 25 fashionable food trends in this survey. Thai cuisine uses lots of fish, fresh fruits and vegetables as well as a variety of herbs and spices, which appeals to today's health conscious consumers. Today's focus is is more on substance, less on style.

Some 'hot' ethnic-inspired ingredients such as balsamic vinegars and infused/olive oils - are gaining an almost cult like following.

Today meatless and vegetarian dishes are 'hot' on the menu, whereas a decade ago, a restaurant was hard pressed to get the consumer to look at a vegetarian dish. In the National Restaurant Association's Tableservice Restaurant Trends - 1998, more than half of tableservice operators with an average per-person check size of $15 or more reported that customers were ordering vegetarian dishes more frequently.

Organic produce is also 'hot' as consumers continue to lean towards healthier lifestyles and look for ways to help the environment.

The best self serve concepts are all about fun and BD's Mongolian Barbeque in Royal Oak Michigan is one of the new breed of operations that dispense it. Guest walk up to the buffet, grab a bowl, and pile up their own combinations of meat, vegetables, sauces, spices and cooking oils. They hand the bowl over to the chef, who stir fries the concoction to order. The concept is working, it's unique, it's fun, and customers get to choose what they want and control what they eat.

EXPORTING LOGISTICS

Clearing U.S. Customs

Duties and Quotas

Canada enjoys free and open access to the U.S. market under the North American Free Trade Agreement and the World Trade Organization. Essentially all bilateral trade in "originating" goods is duty-free under NAFTA as of January 1998; however, trade in some products or containing (e.g., sugar and dairy products) may be restricted or prohibited based on tariff quotas. Some agricultural commodities are also subject to

inspection fees. A customs broker can help you determine your product's harmonized system (H.S.) classification, as well as any applicable quotas and fees. It is possible to seek a binding classification from U.S. Customs.

Export Documentation and Procedures

Canadian exporters are strongly encouraged to enlist a certified customs broker to manage border procedures. Customs brokers are familiar with all information required by the exporter and are able to provide insight on market access issues such as import restrictions based on quotas, health regulations, documentation, labeling and product testing. The cost of a customs broker's services are usually assessed on a per shipment basis. Cost reflect the amount of data transmitted to USCS, as well as extra services required to expedite a shipment. To retain the services of a U.S. customs broker, an exporter must first authorize the brokerage firm (by power of attorney) to file entries on its behalf with USCS. The Customs service also requires the exporter to post a bond, usually in an amount to cover the value of the shipment plus duties and fees. Exporters should complete the required documents and forward them in advance by fax to their customs brokers, who can then notify USCS of entry and arrange for clearance. The original documents must accompany the shipment and must include the following:

- Pro forma invoice;
- Bill of lading;
- Inward cargo manifest;
- Health certificate, as required by USDA;
- NAFTA certificate (for individual or annual shipments valued at more than (US$2000).

If a discrepancy is found with the shipment upon entry, an FDA or USDA representative will collect the sample for analysis. If the analysis shows that the product is in compliance (with U.S. import regulations), the shipment will be released. However, if it reveals a violation, the product will be refused admission; the exporter may then challenge the detention, by proving that the product complies with the law, or may submit an application to recondition the product and bring it into compliance. Specifically, meat and poultry shipments must remain under bond and are subject to recall by the Customs Service until FSIS notifies the service of the results of the reinspection. If any U.S. requirements are not met, the bond may be forfeited, and additional penalties assessed.

Exporters can speed food entries if by checking the following steps;

- Determine before shipment that the product to be imported is legal.

- Have private laboratories examine samples of foods to be imported and certify that analysis of the processor. While not conclusive, these analyses might serve as an indication of the processor's ability to produce acceptable, legal products.
- Request assistance from the FDA District Office responsible for our port of entry.
- Know the food importing procedures described on this information sheet.

Packaging and Labelling

Goods should be properly packed and marked for shipment both to reduce the risk of damage, pilferage and illegal substance concealment, and to expedite customs examination. Food samples are exempt from labeling requirements, but must be marked as samples and shipped in compliance with ususal import regulations.

FSIS import inspectors check labels on both shipping containers and retail-size packages. All labels require advance approval from FSIS in sketch from. Product labels must be in English and must include,

- product name
- establishment number and country of origin
- name and address of manufacturer or distributor
- net quantity of contents in pounds or ounces or liquid measure
- list of ingredients, and
- handling statements, if applicable

Shipping container labels do not need approval, but they are checked by FSIS during reinspection at the port of entry.

Transportation

Modes of transportation to the United States include air, rail and truck, but your choice will be determined mainly by the type of product, the cost of freight and its effect on price, and delivery targets. Transportation insurance against damage, loss or theft can be purchased as an open policy covering all shipments or on a per shipment basis. American buyers compare a product's CIF price (i.e., cost insurance and freight to a named port of destination, usually known as the landed price) with the prices of competing products. American food distributors and wholesalers prefer to maintain low inventories, suppliers must be able to provide "just-in-time" delivery. Canadian third-party logistic companies have recently emerged to provide new exporters with one-stop access to distribution services.

Electronic Date Interchange (EDI) is a vehicle for greater efficiency. It is not a tool to get prices lower, it is a method of making business more efficient and can also save money. EDI is the exchange of business documents in a standardized format. Using EDI requires a standard construction format for data so-called "transaction sets" that the information is transmitted and can be checked at both ends of the transmission cycle for accuracy. The part of EDI that is difficult, is that every trading partner is going to want different pieces of data within in those transaction sets. And for every trading partner, a map has to be created to say these are the pieces of data that this trading partner wants, and each partners requests will differ. Despite the difficulties, EDI is extraordinarily well matched with EFR (Efficient Foodservice Response) in the areas of logistics, foodservice category management, supply chain demand forecasting, equitable alliances and overall practices by reducing the steps involved. Efficient Foodservice Response (EFR) is a joint project sponsored by 13 industry trade associations created to help foodservice manufacturers, brokers, distributors and operators find ways to eliminate an estimated US$14.3 billion in non-value-adding costs from the supply chain.

Selecting a Distribution Channel

Canadian food exporters to the United States must decide whether to sell their products directly or through an intermediary such as a trading house, food broker or distributor. Direct selling is usually the most expensive and time-consuming option, but it can help in building solid customer relationships. Trading houses and distributors buy goods from vendors and are then responsible for reselling them. Food brokers act as an exporter's local sales force and, broadly speaking, can be divided into private-label brokers, regional brokers and speciality brokers. Brokers do not usually take title to goods, but will sell them on the exporter's behalf to their customers on a commission basis.

Process of selecting a representative would be to interview at least three candidate companies that focus on the HRI business. You need to know how long they have been in business, type of items that they represent well, who their contacts are (are they focussed on the Restaurant, Hotel, or Institutional business), what geographic are do they cove, do they have any conflicting lines of product.

On the foodservice side of business you can use a broker and a distributor. The most successful companies, however appear to use a broker to sell to the distributor. The broker knows which distributor to contact in regards to your product. Yes, it increases the cost but it is well worth it to have a representative in the marketplace. However, some companies have also been successful on the Foodservice side of business by just using a distributor.

Food Brokers

Most new food exporters choose brokers to sell their products and service their accounts. This method has the advantages of comparatively low start-up and overhead costs (no sales, no costs), quick access to an established network of buying contacts, a local presence to service clients, and the brokers knowledge of the market and of the product's promotional requirements. Since many brokers have solid relationships with retailers and wholesalers, and have regular appointments with their buyers, they can often be instrumental in helping exporters to introduce new products.

A broker should be selected with care. Before committing to a particular firm, an exporter should consider the market segments and customers it serves; its reputation within the industry; the size of its sales force; the number and location of its offices; the services it offers; the products it currently sells and its interest in the exporter's goods and in those of its competition. Any written agreement between an exporter and a broker should be prepared by a lawyer and, as a minimum, should cover the following points: territory covered, exclusivity, payment terms, performance criteria, collection of receivables, duration of agreement and procedures to terminate the agreement. It is important for an exporter to build a close and active working relationship with the chosen broker, so that the export products are given the necessary exposure.

For information about food brokers in this region, exporters should seek a retailer's recommendation; contact a local industry association such as the Association of Sales & Marketing Companies, or contact the Business Development office in Washington, D.C.

Method of Payment

Canada's proximity to the United States means that cash-in-advance and open-account sales are more frequent methods of payment than letters of credit. Payments can easily be made by cheque or bank transfer. A buyer's credit rating can be checked with bankers, others suppliers and private credit analysis institutions. Both the Export Development Corporation (EDC) and the Business Development Bank of Canada (BDC) offer insurance programs to protect Canadian exporters against non-payment by U.S. buyers. Some exporters have found it helpful to maintain a U.S. business address and bank account; however, companies should first consider the legal and tax implications of such an arrangement.

Cultural and Business Practices

Although there are many similarities between Canada and the United States, exporters should recognize that doing business in the U.S. is not the same as in Canada.

Customers expect to receive stronger after-sales service and to be supported with incentives and marketing programs. The market is extremely competitive, the pace of business is quick, and customer loyalty is not always as strong as desired.

APPENDIX A

Table 1. Regional Demographic Group Population by State

Demographic Group	Indiana		Kentucky		Michigan		Ohio		West Virginia		Total	
	1995	2000	1995	2000	1995	2000	1995	2000	1995	2000	1995	2000
White	5270	5466	3555	3671	7981	8021	9766	9835	1759	1769	**28 331**	**28 762**
Black	471	502	278	287	1379	1435	1250	1320	57	58	**3 465**	**3 602**
American Indian, Eskimos	14	16	6	6	59	61	22	22	2	2	**103**	**107**
Asian	48	60	24	29	132	163	115	140	9	11	**328**	**403**
Hispanic	119	140	27	32	223	261	162	183	9	11	**550**	**627**
Non-White Hispanic	5161	5338	3532	3643	7774	7790	9632	9672	1750	1758	**27 839**	**28 201**

Source: U.S. Department of Commerce, Bureau of Census

APPENDIX B – OTHER SOURCES OF INFORMATION

Selected Publications and Periodicals

The Institutional Foodservice Market in the U.S. Pacific Northwest, Team Canada Market Research Centre, 1998.

10 Steps to Export Success, Department of Foreign Affairs and International Trade, 1997.

A Guide to Export Services, Department of Foreign Affairs and International Trade, 1997.

A Food Labeling Guide, U.S. Food and Drug Administration, 1994.

Importing into the United States, U.S. Customs Service, 1998.

FoodService Director, Monthly publication, Bill Communications, Inc.

Export Marketing, Ontario Ministry of Agriculture, Food and Rural Affairs.

Changing Tastes, Jacqueline Dulen, 1998.

Selected On-line Information Services

InfoExport	http://www.infoexport.gc.ca
ExportSource	http://www.exportsource.gc.ca
Agri-Food Trade Service (ATS) Online	http://www.atn-riae.agr.ca
Strategis	http://www.strategis.ic.gc.ca
DFAIT web site	http://www.dfait-maeci.gc.ca
Canadian Food Trade Alliance	http://www.cfta.ca
The U.S. Trade Center	http://www.ustradecenter.com
FedStats (U.S. government)	http://www.fedstats.gov
The Food Institute	http://www.foodinstitute.com
FoodIndustry	http://www.foodindustry.com
Trade Show Central	http://www.tscentral.com
Trade Show News Network	http://www.tsnn.com
National Restaurant Association	http://www.restaurant.org
National Food Distributors Association	http://www.specialtyfoods.org
Associations of Sales and Marketing	http://www.asmc.org
Foodservice Consultants Society International	http://www.wowpages.com
Food Marketing Institute	http://www.fmi.org
National Association of College and University Food Services	http://www.nacufs.org
U.S. Food and Drug Administration	http://www.fda.gov
Foodservice Links	http://www.foodservicelinks.com
International Foodservice Manufactures Association	http://www.foodserviceworld.com
American Hotel and Motel Association	http://www.ahma.com
International Franchise Association	http://www.franchise.org
National Automatic Merchandising Association	http://www.vending.org

APPENDIX C – PROMOTIONAL EVENTS AND TRADE SHOWS IN THE U.S.

Trade shows represent one of the most important ways of entering the lucrative and competitive U.S. food and beverage market. Export-ready companies can learn about market and product trends, check out their competitors and meet prospective customers. At key shows, the Canadian government organizes official Canadian food pavilions, which exporters are invited to join. The Government also organizes several expositions and other trade promotion events to help introduce Canadian food and beverage exporters to the U.S. market. For more information, contact the Agri-food Trade Service office nearest to you (see page 27).

SELECTED TRADE SHOWS FOR THE FOODSERVICE INDUSTRY IN THE U.S.

Event	Organizer
The NRA's National Restaurant, Hotel-Motel Show May 20-23, 2000 McCormick Place, Chicago. IL Largest foodservice trade show in the U.S. features equipment (50%), services, food and beverages (30%)	National Restaurant Association, Convention Office, 150 North Michigan, Suite 2000 Chicago, IL 60601 Tel: (312) 853-2525 Fax: (312) 853-2548 Internet: www.restaurant.org
International Hotel/Motel & Restaurant Show November 6-9, 1999 Javits Convention Center, New York, NY Products and services for lodging and food serving properties attracts 58 000 attendees.	George Little Management Inc. 10 Bank Street White Plains, NY 10606-1954 Tel: (914) 421-2236 Fax: (914) 948-6180 Internet: www.glmshows.com
ASMC's Business Forum & Expo October 6-9, 1999 Hyatt Regency, Chicago, IL The annual convention and exposition of the new National Food Brokers Association and International Foodservice Brokers Association.	Association of Sales & Marketing Companies 2100 Reston Parkway, Suite 400 Reston, VA 20191-1218 Tel: (703) 758-7790 Fax: (703) 758-7787 Internet: www.asmc.org
NAMA Convention and Trade Show National Show: October 28-30, 1999 Washington D.C. Western Show: March 30- April, 2000 Las Vegas NV Serves the food, beverage, and general merchandise vending, contract foodservice and coffee service industry.	National Automatic Merchandising Association 20 North Wacker Drive, Suite 3500 Chicago, IL 60606 Tel: (312) 346-0370 Fax: (312) 704-4140 Internet: www.vending.org

Event	Organizer
International Fancy Food & Confection Shows Summer: July 11-14, 1999, New York Winter: January 23-25, 2000, San Francisco The premier events for the specialty and gourmet food industries. Note: Canadian national pavilion at 1999 Winter and Summer 2000 shows.	National Association for the Speciality Food Trade 120 Wall Street, 27th Floor New York, NY 10005-4001 Tel: (212) 482-6440 Fax: (212)482-6459 Internet: www.fancyfoodshows.com
American School Foodservice Association Annual Conference July 14-19, St. Louis, MI Annual conference and exhibit of foodservice supplies and equipment, including computers.	American School of Foodservice Association 1600 Duke Street, 7th Floor Alexandria, VA 22314 Tel: (800) 877-8822 Fax: (703) 739-3915
National Association of College and University Foodservices July 6-10,1999 St. Louis, MO Small specialized show for food, equipment and service suppliers to the educational foodservice industry.	National Association of College and University Foodservices 1405 South Harrison Road, Suite 305 East Lansing, MI 48824 Tel: (517) 332-2494 Fax: (517) 32-8144
American Correctional Foodservice Expo August 14-18, 1999 International Conference Center Virginia Beach, VA Specialized event for foodservice mangers from correctional institutions in the U.S. and Canada	American Correctional Foodservice Association 4248 Park Base Glen Road Minneapolis, MN 55416-4578 Tel: (612) 928-4658 Fax: (612) 929-1318
InterBev (aka International Beverage Industry Exhibition & Congress) December 4-6, 2000 New Orleans, LA Biannual trade show features the newest products and equipment for the beverage industry.	InterBev Ltd. 1101 Sixteenth Street N.W. Washington, DC 20036 Tel: (202) 463-6794 Fax: (202) 833-2484 Internet: www.interbev.com

Event	Organizer
Ohio Restaurant Food and Beverage Show February 20-21, 2000 Columbus Convention Center, Columbus, OH Regional show for suppliers of products, equipment and services to the foodservice industry.	Ohio Restaurant Association 1335 Dublin Road, Suite 2080 Columbus, OH 43215-1000 Tel: (614) 442-3535 Fax: (614) 442-3550 Internet: www.ohiorestaurant.org
Kentucky Restaurant Show March 7-8, 2000 Indiana Convention Center, Indianapolis, IN Regional show for suppliers of products, equipment and services to the foodservice and lodging industry.	Kentucky Restaurant Association 422 Executive Park Louisville, KY 40207 Tel: (502) 896-0464 Fax: (502) 896-0465 Internet: www.kyra.org
HOST Midwest Expo March 27-29, 2000 Midwest Express Center, Milwaukee, WI One of the largest regional foodservice shows in the U.S. Midwest.	Wisconsin Restaurant Association 2801 Fish Hatchery Road Madison, WI 53713-3197 Tel: (608) 270-9950 Fax: (608) 270-9960 Internet: www.wiscrest.org

OTHER REFERENCE MATERIAL

Key Contacts

Canadian Government Agencies

Agriculture and Agri-Food Canada
Agri-Food Trade Service (ATS) regional contacts:

Renee Umezuki
New Westminster, BC
Tel: (604) 666-7903

Rodney Dlugos
Edmonton, AB
Tel: (780) 495-5526

Brenda Patton
Regina, SK
Tel: (306) 780-7071

Dan Wuerch
Winnipeg, MB
Tel: (204) 984-4230

Frank Webster
Guelph, ON
Tel: (519) 837-5854

Robert Bouchard
Montreal, PQ
Tel: (514) 283-3815

Bernard Mallet
Fredericton, NB
Tel: (506) 452-3732

Chris Pharo
Charlottetown, PEI
Tel: (902) 566-7310

Janet Steele
Halifax, NS
Tel: (902) 426-2221

Al McIsaac
St. John's, NF
Tel: (709) 772-0330

Agriculture and Agri-Food Canada
International Markets Bureau
10th Floor, Sir John Carling Building
Ottawa, ON K1A 0C5
Contact: Brian Sundue
Tel: (613) 759-7712
Fax:: (613) 759-7506
Email: sundueb@em.agr.ca
Internet: www.atn-riae.agr.ca

Department of Foreign Affairs and International Trade
U.S. Business Development Division
125 Sussex Drive (UTO)
Ottawa, ON K1A 0G2
Contact: Serge Charbonneau
Tel: (613) 944-5912
Fax:: (613) 944-9119
Email: serge.charbonneau@dfait-maeci.gc.ca
Internet: www.dfait-maeci.gc.ca

Department of Foreign Affairs and International Trade
Market Support Division
125 Sussex Drive (TCM)
Ottawa, ON K1A 0G2
Contact: Robert Lazariuk
Tel: (613) 995-1773
Fax:: (613) 943-8820
Email: robert.lazariuk@dfait-maeci.gc.ca
Internet: www.dfait-maeci.gc.ca

Department of Foreign Affairs and International Trade
Tariffs and Market Access Division
125 Sussex Drive (EAT)
Ottawa, ON K1A 0G2
Contact: Neil Baisi (Food Labelling)
Tel: (613) 944-1015
Fax:: (613) 944-4840
Email: neil.baisi@dfait-maeci.gc.ca
Internet: www.dfait-maeci.gc.ca

Canadian Consulate General
600 Renaissance Center, Suite 1100
Detroit, MI 48243-1798
Contact: Keith Jozwik
Tel: (313) 567-2340
Fax: (313) 567-2164
Email: keith.jozwik@dfait-maeci.gc.ca

Canadian Consulate General
One Marine Midland Center, Suite 3000
Buffalo, NY
Contact: Marcia Grove
Tel: (716) 858-9500
Fax: (716) 852-4340
Email: marcia.grove@dfait-maeci.gc.ca

Canadian Commercial Corporation
50 O'Connor Street
Ottawa, ON K1A 0S6
Tel: (613) 995-0300
Fax: (613) 995-2121
Email: info@ccc.ca
Internet: www.ccc.ca

Export Development Corporation
151 O'Connor Street
Ottawa, ON K1A 1K3
Tel: 1-800-880-1884
Fax:: (613) 598-6697
Internet: www.edc.ca

Canadian Food Inspection Agency
59 Camelot Drive
Ottawa, ON K1A 0Y9
Tel: (613) 225-2342 or 1-800-442-2342
Fax: (613) 228-6634
Internet: www.cfia-acia.agr.ca

Business Development Bank of Canada
Headquarters – 280 Albert Street, 3rd Floor
Ottawa, ON K1P 5G8
Tel: 1-888-INFO-BDC
Fax: (613) 995-9045
Internet: www.bdc.ca

SELECTED CANADIAN FEDERAL EXPORT ASSISTANCE PROGRAMS

- *New Exporters to Border States (NEBS)* — is a key export education tool that targets Canadian companies not yet exporting to the United States (U.S.). NEBS introduces the essentials of exporting, including practical export information and first-hand exposure to marketsin U.S. border states.

  NEBS Plus is the program that serves Canadian companies already exporting to the U.S. border states. The focus of NEBS Plus is to expand the markets of successful exporters to other. Contact your nearest International Trade Centre (ITC) for further information regarding the NEBS or NEBS Plus program. For further information concerning NEBS/NEBS Plus programs please contact john.kern@dfait-maeci.gc.ca

- *WIN Exports* — is a database of Canadian exporters and their capabilities, which is used by Trade Commissioners around the world and by Team Canada partners in Canada to match Canadian suppliers to foreign business leads and to share information on trade events. To register your company in WIN Exports if you are an exporter (or an export-ready firm that expects to be actively exporting soon). Please fax a request for registration, on your company letterhead, to the Export Development Division, DFAIT, at 1-800-667-3802 (944-1078 for the National Capital Region). WIN-registered companies automatically receive CanadExport, DFAIT's international business newsletter. For additional information on WIN Exports, please call the hot line at 1-800-551-4946 or 944-4946 for the National Capital Region.

- *Program for Export Market Development (PEMD)* — is a funding program administered by DFAIT to help Canadian companies develop export markets through financial risk sharing. PEMD has four elements: capital projects bidding, trade association activities, market development strategies (MDS), and new-to-exporting companies. For a detailed description on PEMD and how to apply for an application, refer to www.infoexport.gc.ca

- *Agri-Food Trade 2000* — is a cost-shared funding program administered by AAFC to help Canadian agri-food industry associations and alliances carry out a wide range of marketing- and trade-related activities. AFT 2000 includes a provision for supporting Canadian company brand promotions abroad on a case-by-case basis, to defend against foreign competitors who benefit from financial support for export marketing from their governments. For further information contact Agri-Food Trade Service (ATS) within your regional area. (Refer to page 27)

Export-oriented Canadian Food Industry Associations

Quebec Agri-Food Export Club
200 MacDonald Street, Suite 102
St. Jean-sur-Richelieu, PQ J3B 8J6
Tel: (514) 349-1521
Fax: (514) 349-6923
Internet: www.profil-cdi.qc.ca

Food Beverage Canada
17311 - 103rd Avenue
Suite 201, Edmonton, AB T5S 1J4
Tel: (780) 486-9679 or 1-800-493-9767
Fax: (780) 484-0985
Internet: www.foodbeveragecanada.com

Food Institute of Canada (FIC)
1600 Scott Street, Suite 415
Ottawa, Ontario
K1Y 4N7
Tel: (613) 722-1000
Fax: (613) 722-1404
Internet: www.foodnet.fic.ca

Canadian Food Exporters Association
885 Don Mills Road, Suite 301
Don Mills, ON M3C 1V9
Tel: (416) 445-3747 or 1-888-227-8848
Fax: (416) 510-8044

Alliance of Manufacturers and Exporters of Canada
75 International Boulevard, Suite 400
Toronto, ON M9W 6L9
Tel: (416) 798-8000
Fax: (416) 798-8050
Internet: www.palantir.ca/the-alliance/default

Atlantic Canada Export Club
24 Pictou Road
Truro, NS
B2N 2R8
Tel: (902) 893-7539
Fax: (902) 893-7041
Email: atl-exp@istar.ca

U.S. Government Agencies

U.S. Department of Agriculture (USDA)
1301 New York Avenue N.W.
Washington, D.C. 20005
Tel: (202) 219-0515
Fax: (202) 219-0112
Internet: www.usda.gov

U.S. Department of Health and Human Services
Food and Drug Administration (FDA)
5600 Fishers Lane
Rockville, MD 20857
Tel: (301) 443-4480
Fax: (301) 443-0335
Internet: www.fda.gov

U.S. Department of Agriculture (USDA)
Food Safety and Inspection Service (FSIS)
Room 1175, South Building
1400 Independence Avenue S.W.
Washington, D.C. 20250
Tel: (202) 720-7943
Fax: (202) 720-1843
Internet: www.fsis.usda.gov

U.S. Department of the Treasury
U.S. Customs Service (USCS)
1300 Pennsylvania Avenue N.W.
Washington, D.C. 20229
Tel: (202) 927-6724
Fax: (202) 927-1393
Internet: www.customs.ustreas.gov

U.S Department of the Interior
Fish and Wildlife Service (FWS)
1849 C Street N.W.
Washington, D.C. 20240
Tel: (202) 208-3100
Fax: (202) 208-5048
Internet: www.fws.gov

U.S. Department of the Treasury
Bureau of Alcohol, Tobacco & Firearms (ATF)
650 Massachusetts Avenue NW
Washington, D.C. 20226
Tel: (202) 927-7777
Fax: (202) 927-8605
Internet: www.atf.treas.gov

U.S. Food Industry Associations

Foodservice Consultants Society International
304 West Liberty St. Suite 201
Louisville, Kentucky 40002
Tel: (502) 583-3783
Fax: (502) 589-3602
Email: info@fcsi.org

Association of Sales & Marketing Companies
2100 Reston Parkway, Suite 400
Reston, VA 20191-1218
Tel: (703) 758-7790
Fax: (703) 758-7787
Internet: www.asmc.org
Notes: Formerly the National Food Brokers Association and the International Foodservice Brokers Association.

Manufacturers' Agents National Association
23016 Mill Creek Road, P.O. Box 3467
Laguna Hills, CA 92654-3467
Tel: (949) 859-4040
Fax: (949) 855-2973
Internet: www.manaonline.org

National Association for Retail Merchandising Services
P.O. Box 906
Plover, WI 54467-0906
Tel: (715) 342-0948
Fax: (715) 342-1943
Internet: www.narms.com

Food Service and Packaging Institute
1550 Wilson Boulevard, Suite 701
Arlington, VA 22209
Tel: (703) 527-7505
Fax: (703) 527-7512
Email: foodserv@corsslink.net

National Food Distributors Association
401 North Michigan Avenue, Suite 2200
Chicago, IL 60611-4267
Tel: (312) 644-6610
Fax: (312) 527-6783
Internet: www.specialtyfoods.org

Food Distributors International
201 Park Washington Court
Falls Church, VA 22046-4521
Tel: (703) 532-9400
Fax: (703) 538-4673
Internet: www.fdi.org
Notes: Formerly the National American Wholesale Grocers Association and the International Foodservice Distributors Association.

American Wholesale Marketers Association
1128 Sixteenth Street NW
Washington, D.C. 20036
Tel: (202) 463-2124
Fax: (202) 463-6312
Internet: www.awmanet.org

American Institute of Food Distribution Inc.
(aka The Food Institute)
12 Broadway, Suite 28
Fairlawn, NJ 07140-0972
Tel: (201) 791-5570
Fax: (201) 791-5222
Internet: www.foodinstitute.com